Keith Bishop -CT Vineyard & Winery Association Testimony Before the General Law Committee March 6,2014 In Support of SB 5425 An Act Concerning the Sale of Farm Winery Brandy



Good Afternoon Senator Doyle and Representative Baram, my name is Keith Bishop and I am a 5th generation farmer. My family has been farming since 1871 in Guilford CT. We currently grow fruits and vegetables across 313 acres. We established our winery, 8 years ago and we currently produce about 2000 cases and host over 6,000 visitors to our tasting room each year. The diversity of our farm that draws customers to buy our products from the Farm Market, Pick Your Own, Winery to our CSA provides stability that is preserving our 313 acres.

I serve as Treasurer of the Connecticut Vineyard and Winery Association. The Connecticut Vineyard and Winery Association consists of 27 farm wineries, spread across the state that market ourselves collectively as the Connecticut Wine Trail. The purpose of our association is to promote the cultivation of grapes and the production of wine in Connecticut.

I am here today in support of SB 297 An Act Concerning the Sale of Farm Winery Brandy. This bill would allow farm wineries to sell brandy made from grapes grown on premises and distilled off premises at a licensed distillary. Currently we are only allowed to sell brandy if it is distilled on our premises. This would help diversify our product lines and offer more to our customers without the high cost of a still for low volume of production. It is common in California wineries to see more one product available for sale or tasting. At Korbel, in Sonoma, the two products that are available are champagne and brandy.

We ask the committee to make one change to the language of the bill. We would like the language to read "brandy manufactured from grapes <u>and fruit</u> harvested on the premises of such farm winery". This change would make the law consistent with the rest of the farm winery act and allow individuals like myself, that makes wine from other types of fruit, this ability. It is very important to keep it as stated, from (fruit) " harvested on the premises of such farm winery".

We ask you to support this legislation. Thank you for your consideration.

Keith B. Bishop Co-CEO, Treasurer & Winemaker Bishop's Orchards 1355 Boston Post Rd. Guilford, CT 06437-2399 (203)453-2338 x210 fax (203)458-7125 www.bishopsorchards.com

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I am here today to oppose HB 5426 An Act Concerning Free Wine Tastings on Premises Where Wine Kits are Sold. We object to this bill on the basis that there is no regulation of these kits or where they are being sold. We are not opposed to tastings, as we are advocating for similar privileges, but we feel that liquor control should be involved and noticed as to where these tastings are occurring.

In some cases wine kits could be sold from a premise that is not currently a "permitted business or location" by Liquor Control. Because they are not actually selling alcohol, just the means to make it, Liquor Control may not be involved.

CT Farm Wineries go through a rigorus set of requirements to get and maintain a liquor permit. If we are not following the rules of the Liquor Control Act, our permit can be revoked. In addition, we also carry dram shop liability insurance, which would follow us to events where tastings occur. Dram Shop liability is required of each permitted premises. This type of insurance may not be secured by these purveyors of the kits or the sites that now have people drinking alcohol at them and create further legal issues.

For these reasons we ask the committee to reject the legislation.

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In Support of SB 297 An Act Establishing Off Site Farm Winery Sales and Tasting Permits



Good Afternoon Senator Doyle and Representative Baram, my name is Keith Bishop and I am a 5th generation farmer. My family has been farming since 1871 in Guilford CT. We currently grow fruits and vegetables across 313 acres. We established our winery, 8 years ago and we currently produce about 2000 cases and host over 6,000 visitors to our tasting room each year. The diversity of our farm that draws customers to buy our products from the Farm Market, Pick Your Own, Winery to our CSA provides stability that is preserving our 313 acres.

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I am here today in support of SB 297 An Act Establishing an Off Site Farm Winery Sales and Tasting Permit. In essence, this bill would allow farm wineries to go to off site events, such as fairs or outings, and taste and sell CT wine. The bill is modeled after the catering liquor permit, which has been on the books for a number of years and has worked very well. Like caterers, we too would be required to notify liquor control of the location of the event. They then could inspect those locations to make sure that proper procedures are being followed and that alcohol was not in the hands of minors.

This bill came about because we have received many requests to attend fairs, like the Litchfield Jazz Festival, Renasscance Fairs, and non profits events that are fund raisers. We are unique businesses, mostly family owned and operated. We are steeped in agriculture and preserve CT's farmland. We are a tourist destinations that also create a draw for other local businesses of many, and we also manufacture a local sustainable product that is desirable to many residents. Having a permit such as this would allow us to share our products in different regions across the state, and drive individuals to our tasting rooms for repeat visits.

Over the past few years the CT wine industry sales have decreased (see chart on next page). When the initial laws were enacted for farm wineries, certain privileges were afforded to us because we are agricultural businesses and it is harder to bring our products to market because we do not have large volume. Over the years many of those privileges have eroded away. Losing the exclusivity of Sunday sales, and package stores having increased tasting and educational classes have eaten away

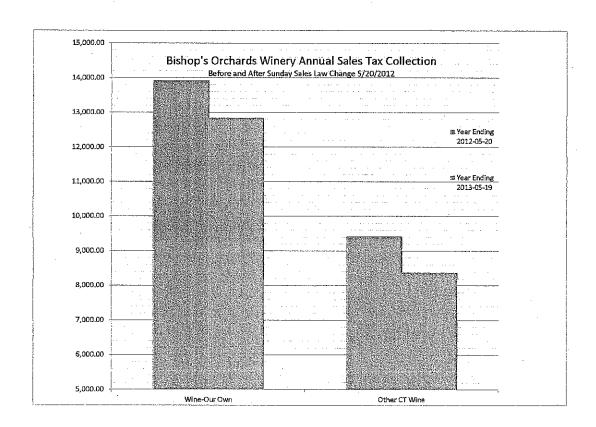
sales. After reviewing recent data (Nov 2013) from CT DRS, small wineries as a group were down 45%, while wine sales through the package stores were up.

Creating this permit would help CT wineries to reach new markets and increase our sales to keep our businesses and our farms viable, helping to preserve open space under winery ownership.

We do however ask that there be 2 minor changes in the language:

- 1. This permit allows only for the sale of wines labeled as Connecticut wine under Federal TTB regulations (essentially means it is made from CT Grown fruit)
- 2. Have no restriction on the number of events that a winery can attend.

The chart below shows the comparision between 2 full years of sales tax collections, before and after the law change that allowed Sunday Sales at package stores. Over \$2,100 of sales taxes were lost from our winery and not earned by the State of CT (and we obviously lost sales). Since our winery has substantial sales of wines from other CT Wineries, the impact is spread to those other wineries as well from our loss of sales.



Thank you for your time and consideration of this measure.

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